BEFORE THE BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER CREATING A PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 14 AND 23, TOWNSHIP 27 NORTH, RANGE 57 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 42-2019

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

- 1. Applicant is an interest owner and operator within the above-described tract, and its Della 14-23 #1H well has been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
- 2. The Della 14-23 #1H well is completed in a reservoir containing common accumulations of oil and associated natural gas in the Bakken/Three Forks formation. To efficiently and economically develop the reservoir, and to protect the correlative rights of all owners, All of Sections 14 and 23, Township 27 North, Range 57 East, M.P.M., Roosevelt County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

[B] Requests:

- 1. This matter be set for hearing, with notice given as required by law and the MOU; and
- 2. After hearing the matter, the Board enter its order delineating All of Sections 14 and 23, Township 27 North, Range 57 East, M.P.M., Roosevelt County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

DATED this 29th day of June, 2018.

KRAKENOH & GAS LLC

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com



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BEFORE THE BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 14 AND 23, TOWNSHIP 27 NORTH, RANGE 57 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 43-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

- 1. Applicant is an interest owner and operator within the above-described tract, and its Della 14-23 #1H well been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
- 2. It is anticipated that the captioned lands will comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. __-2018.
- 3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Della 14-23 #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
- 4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

[B] Requests:

- 1. This matter be set for hearing, with notice given as required by law and the MOU; and
- 2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 14 and 23, Township 27 North, Range 57 East, M.P.M., Roosevelt County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Della 14-23 #1H well.

By

DATED this 29th day of June, 2018,

KRAKEN OIL & GAS LLC

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

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